

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

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|----------------------------|---|------------|
| PURCHASED WATER ADJUSTMENT |) | CASE NO. |
| OF SOUTH ANDERSON WATER |) | 2006-00436 |
| DISTRICT |) | |

O R D E R

On October 4, 2006, South Anderson Water District (“South Anderson”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure. KRS 278.015 and 807 KAR 5:068.

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. South Anderson purchases water from the Frankfort Electric and Water Plant Board (“FEWPD”).
2. FEWPD notified South Anderson that its wholesale water rate would increase effective November 1, 2006.
3. On October 20, 2006, the Commission established Case No. 2006-00444¹ to investigate the reasonableness of FEWPD’s proposed adjustment to its wholesale rate and suspended the effective date of the proposed adjustment for 5 months until March 31, 2007.
4. As the Commission has suspended the effective date of FEWPD’s proposed wholesale water rate adjustment, South Anderson’s wholesale water supplier

¹ Case No. 2006-00444, Proposed Adjustment of the Wholesale Water Service Rates of the Frankfort Electric and Water Plant Board.

has not increased its wholesale water service rate. South Anderson, therefore, has not met the conditions necessary to adjust its rates pursuant to KRS 278.015 and Administrative Regulation 807 KAR 5:068.

IT IS THEREFORE ORDERED that:

1. This case is dismissed without prejudice.
2. Should the Commission authorize FEWPD to adjust its wholesale water service rate, South Anderson may apply for an adjustment of its water service rates pursuant to KRS 278.015 and Administrative Regulation 807 KAR 5:068.

Done at Frankfort, Kentucky, this 1st day of November, 2006.

By the Commission

ATTEST:



Executive Director